

STATE OF WASHINGTON



OFFICE OF
INSURANCE COMMISSIONER

In the Matter of

Jennifer L. Wise,

Licensee.

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No. D 03 - 66

ORDER REVOKING LICENSE

To: Jennifer L. Wise
919 W. Wedgewood Ave.
Spokane, WA 99208

IT IS ORDERED AND YOU ARE HEREBY NOTIFIED that your license is **REVOKED**, effective May 14, 2003, pursuant to RCW 48.17.530 and RCW 48.17.540 (2).

THIS ORDER IS BASED ON THE FOLLOWING:

1. Violation of RCW 48.30.040, False Information and Advertising; WAC 284-23-240(3), WAC 284-23-360(3), General Rules; and WAC 284-12-110, Identification of Agent or Solicitor to Prospective Insured.

- a. Attached to Frances Wells' annuity application, dated April 23, 2002, was a typed sheet of paper where the licensee identified herself as a "Financial Consultant". Investigator Tom Talarico, with the Office of Insurance Commissioner (OIC), checked with The Department of Financial Institutions (DFI), Securities Division, and found it had no record of the licensee being registered as a financial consultant. There was also no information presented by the licensee that would show that the licensee is primarily engaged in an advisory business and that the licensee receives a material part of her compensation from that source unrelated to the sale of insurance.
- b. Additional information provided by the licensee to Frances Wells included a business card with a heading of "Insurance & Investments". Directly under the licensee's name was the phrase, "Financial and Retirement Plans". No where on the business card was there mention of the fact that the licensee was an insurance agent.
- c. On January 28, 2003 the licensee wrote the OIC asking for public disclosure of an investigation file. The letter requesting this information identified the licensee as a "Certified Senior Advisor, CSA", "Certified Medicaid Advisor, CMA", and "CLTC". Investigator Talarico sent the licensee a letter, dated February 6, 2003, advising the licensee that the use of these terms was a violation of the insurance code and noting that if a person used terms with the word "advisor" they must receive a material part of their income from that source unrelated to the sale of insurance. In the licensee's reply, dated February 17, 2003, under the licensee's name, was the term "Insurance and Financial Services".

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In the response letter to Investigator Talarico the licensee explained that the acronym CLTC stood for "Certified Long Term Care Consultant", and the licensee had earned these designations. The licensee went on to write, "I am an independent Contractor and not an employee of many companies. Unlike state employees, my income is private and the Office of the Insurance Commissioner has no jurisdiction over it." None of the materials used by the licensee identified the licensee as a licensed insurance agent.

2. Violation of RCW 48.30.210, Misrepresentation in Application for Insurance; and RCW 48.30.090, Misrepresentation of Policies.

- a. Licensee completed an Allianz Life Insurance Company of North America (Allianz) annuity application for Frances L. Wells on or about April 23, 2002. The licensee indicated on the application that it was signed at Post Falls, Idaho. Ms. Wells reported to OIC that she did not go to Idaho to purchase the annuity and that the purchase took place in her home at Spokane, Washington. Allianz has since refunded the entire premium to Frances L. Wells without penalty. The annuity sold by the licensee to Ms. Wells was not approved for sale in Washington.
- b. Licensee completed an Allianz annuity application for Helen E. Wood, on or about May 30, 2002. The application indicates that Ms. Wood would be the owner of the annuity and her son, Dean D. Wood, would be the annuitant. Licensee indicated that the application was completed and signed by Helen and Dean Wood at Post Falls, Idaho. In a letter to OIC investigator Talarico, Dean Wood wrote that he was not aware of the purchase and did not sign or participate in the purchase of the annuity. He discovered the policy while going through his mother's (Helen E. Wood) legal papers. He requested Allianz refund the entire monies without penalty, which it did. The annuity sold by the licensee to Ms. Wood was not approved for sale in Washington.
- c. Licensee completed an Allianz annuity application for Faith A. Thurman, on or about July 17, 2002. The application shows that it was signed at Post Falls, Idaho. OIC investigator Talarico sent Ms. Thurman a letter asking her to verify that she purchased the Allianz annuity at Post Falls, Idaho. Ms. Thurman called investigator Talarico and assured him that she purchased the annuity from the licensee while sitting at her dining room table at home in Spokane, Washington. The annuity sold by the licensee to Ms. Thurman was not approved for sale in Washington.
- d. Licensee completed an Allianz annuity application for Anton J. Popp, who resides at Spokane, Washington, on or about March 22, 2002. The application indicates that Mr. Popp would be the owner and his daughter, Constance A. Brickert, would be the annuitant. OIC investigator Talarico conducted a telephone interview with Ms. Brickert, March 31, 2003.

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- During this interview Ms. Brickert advised investigator Talarico that the licensee arrived at her place of business at Stateline, Idaho, March 22, 2002. The licensee had Ms. Brickert's 89 year old father, Anton Popp, with her in the car. The licensee requested that Ms. Brickert sign the annuity application. Ms. Brickert was told by the licensee that she would be the "Administrator" of the annuity. Ms. Brickert understood this to mean that she would be the one to make decisions relative to the annuity. She subsequently discovered the annuity had a ten year surrender penalty, a fact she had not been told by the licensee. As a result of funds not being transferred from Mr. Popp's CD account, the annuity was dropped as not taken. The annuity the licensee attempted to sell to Mr. Popp was not approved for sale in Washington.
- e. Licensee completed another Allianz annuity application for Anton J. Popp, who resides at Spokane, Washington, on or about July 12, 2002. The application indicates that Mr. Popp would be the owner and his daughter, Constance A. Brickert, would be the annuitant. When this annuity was delivered, Ms. Brickert assumed it was the first annuity that had been applied for in March 2002. After reviewing the annuity, August 19, 2002, Mr. Popp and Ms. Brickert requested that the annuity be cancelled. Allianz made a full refund to Mr. Popp. OIC investigator Talarico conducted a telephone interview with Ms. Brickert, March 31, 2003. During this interview Ms. Brickert advised investigator Talarico that she was not aware of the July 12, 2002 application and she did not sign this application. Licensee indicated that the application was completed and signed by Anton L. Popp and Constance A. Brickert at Post Falls, Idaho. After OIC investigator Talarico faxed a copy of the application to Ms. Brickert, she sent a return fax and stated that the signature on the July 12, 2002 application was not her signature. The annuity sold by the licensee to Mr. Popp was not approved for sale in Washington.
 - f. Licensee completed a Bankers Life and Casualty Company life insurance application for Myrna J. Billings, on or about March 4, 2002. The application shows that it was taken at Post Falls, Idaho. OIC investigator Talarico sent Ms. Billings a letter asking her to verify that she purchased the life policy at Post Falls, Idaho. Ms. Billings called investigator Talarico and assured him that she purchased the life policy from the licensee in her home at Spokane, Washington. The life policy that was sold by the licensee to Ms. Billings was not approved for sale in Washington.
3. Violation of RCW 48.32A.185(1), Prohibited Advertisement of Insurance Guaranty Association. Attached to Frances Wells' annuity application, dated April 23, 2002, was a typed sheet of paper where the licensee made the following statement in violation of RCW 48.32A.185(1): "This policy is backed by the 63+ Billion of Allianz and also by the \$300,000 per contract state Insurance Reserve Fund."

By reason of your conduct, you have shown yourself to be and are so deemed by the Commissioner, untrustworthy and a source of injury and loss to the public and not qualified to be an insurance agent in the State of Washington. Accordingly, your license is revoked pursuant to RCW 48.17.530(1) (h).

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IT IS FURTHER ORDERED that you return your insurance agent's license certificate to the Commissioner on or before the effective date of the revocation of your license, as required by RCW 48.17.530(4).

NOTICE CONCERNING YOUR RIGHT TO A HEARING. Please note that a detailed summary of your right to contest this Order is attached. Briefly, if you are aggrieved by this Order, RCW 48.04.010 permits you to demand a hearing. Pursuant to that statute and others: You must demand a hearing, in writing, within 90 days after the date of this Order, which is the day it was mailed to you, or you will waive your right to a hearing. Your demand for a hearing must specify briefly the reasons why you think this Order should be changed. If your demand for a hearing is received by the Commissioner before the effective date of the revocation, then the revocation will be stayed (postponed) pending the hearing, pursuant to RCW 48.04.020. Upon receipt of your demand for hearing, you will be contacted by an assistant of the Chief Hearing Officer to schedule a teleconference with you and the Insurance Commissioner's Office to discuss the hearing and the procedures to be followed.

Please send any demand for hearing to Insurance Commissioner, attention Scott Jarvis, Deputy Insurance Commissioner, Office of the Insurance Commissioner, P.O. Box 40257, Olympia, WA 98504-0257.

ENTERED AT TUMWATER, WASHINGTON, this 24th day of April, 2003.

MIKE KREIDLER
Insurance Commissioner

By

SCOTT JARVIS
Deputy Commissioner

Investigator: Tom Talarico